VZCZCXYZ0000 PP RUEHWEB

DE RUEHLP #1412/01 2782209 ZNY CCCCC ZZH P 052209Z OCT 09 FM AMEMBASSY LA PAZ TO RUEHC/SECSTATE WASHDC PRIORITY 1763 INFO RUEHAC/AMEMBASSY ASUNCION 0035 RUEHBO/AMEMBASSY BOGOTA 6596 RUEHBR/AMEMBASSY BRASILIA 0555 RUEHBU/AMEMBASSY BUENOS AIRES 7760 RUEHCV/AMEMBASSY CARACAS 4807 RUEHPE/AMEMBASSY LIMA 5145 RUEHMN/AMEMBASSY MONTEVIDEO 6404 RUEHQT/AMEMBASSY QUITO 0038 RUEHSG/AMEMBASSY SANTIAGO 0036 RUEHUB/USINT HAVANA 1870 RHEHNSC/NSC WASHINGTON DC RHMFISS/HQ USSOUTHCOM MIAMI FL RUEAIIA/CIA WASHINGTON DC RUEKJCS/SECDEF WASHINGTON DC RHEFDIA/DIA WASHINGTON DC

CONFIDENTIAL LA PAZ 001412

SIPDIS

E.O. 12958: DECL: 10/05/2019
TAGS: <u>PGOV PREL KDEM PINR SNAR EAID PARM BL IR</u>
SUBJECT: FM CHOQUEHUANCA ON BILAT TALKS, USAID, IRAN

Classified By: Charge d'Affaires John Creamer for reasons 1.4 (b, d)

11. (C) Summary: In two conversations on September 30 and October 2 with Foreign Minister Choquehuanca, Charge d'Affaires (CDA) discussed the second round of bilateral talks, Iranian presence in Bolivia, continuation of USAID's municipal strengthening program, USG approval of Brazilian helicopter sales, and GOB plans to industrialize lithium. End summary.

Bilateral Talks

¶2. (C) CDA told a clearly pleased Choquehuanca that the USG has accepted October 23 as the date for the second round of bilateral talks. Choquehuanca agreed to provide GOB comments on the draft Framework Plan counterproposal and the draft agenda, as well as a list of the GOB delegation. Choquehuanca asked if the discussions could include a brief meeting with the Secretary. Charge agreed to investigate this possibility.

Iranian Presence in Bolivia

- 13. (C) Choquehuanca mentioned that the GOB was interested in possibly acquiring unmanned aerial vehicles (UAVs) to assist in counternarcotics operations and that they had discussed such a purchase with the Iranian government. Saying "you know how the Persians are," Choquehuanca related that GOI representatives told him that although UAVs normally cost USD 20 million, they could sell one to the GOB for USD 5 million instead. Still, he stressed that the GOB has doubts about the UAV's utility in fighting narcotrafficking, and has not yet decided to make such a purchase.
- 14. (C) Charge took the opportunity to express USG concerns regarding Iran's potential development of nuclear weapons, citing the recent deceit over the Qom nuclear facility. Choquehuanca said European Union ambassadors had raised similar concerns and stressed that GOB interest in Iran is "purely commercial." Specifically, he noted, "we want a petrochemical complex, a cement factory, and the Chapare television station." Choquehuanca claimed the Iranians had never mentioned the word "uranium" in any meeting he had attended and offered to share our concerns over Iran's

nuclear program during President Ahmadinejad's visit to Bolivia in early November. (Note: UK Ambassador to Bolivia Nigel Baker said the UK would separately provide the GOB a paper on their concerns over Iran's nuclear weapon program. End note.)

USAID Program to Continue?

¶5. (C) Choquehuanca raised the possibility of continuing USAID's municipal strengthening program, noting that the GOB had come under fire from the country's Federation of Municipalities for ordering the program's closure as part of the termination of USAID Democracy programs. Choquehuanca said the GOB would be interested in continuing the program if funds were channeled through the GOB. Charge responded that while we would be interested in discussing a GOB proposal, perhaps in the context of the bilateral talks, it would be difficult to revamp the program along the lines Choquehuanca outlined.

Helicopter Sales

16. (C) Charge noted that there appeared to be confusion in the media regarding the USG position on Brazil's transfer of four helicopters to Bolivia, as well as on a potential sale of SuperTucanos. Charge confirmed that the USG authorized the transfer of the four helicopters, the arrival of which is pending Brazilian congressional approval. Further, Charge noted, the USG would be interested in a potential SuperTucano sale. Choquehuanca showed great interest in the SuperTucanos, noting that Defense Minister Walker San Miguel had informed the cabinet that the USG would block such a sale.

GOB Business Partnerships Problematic?

17. (C) Choquehuanca said he spoke with the Chinese Ambassador about possible Chinese government financing for road construction in Bolivia, but noted ruefully that the Chinese told him they leave road construction to private firms. Still, he said many foreign firms are interested in Bolivia's lithium, with the French in the lead. The GOB will accept investment or aid from any country, Choquehuanca claimed, as long as Bolivia's dignity is respected. (Separately, however, the Korean Ambassador told Charge that while Korea is interested in pursuing a lithium deal, the GOB's insistence on local industrialization makes any investment economically unviable.)

GOB to Expand Diplomatic Presence

18. (C) Choquehuanca closed by noting that Bolivia hopes to open embassies next year in South Africa and India. CREAMER